

For the year Jan. 1 - Dec. 31, 2016, or other tax year beginning , 2016, ending , 20

Your first name and initial **DIEGO J. MARTINEZ** Last name **MARTINEZ** Your social security number **[REDACTED]**

If a joint return, spouse's first name and initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. **[REDACTED]** **▲ Make sure the SSN(s) above and on line 6c are correct.**

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). **[REDACTED]** **Presidential Election Campaign**

Foreign country name Foreign province/state/county Foreign postal code Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status

1 ☒ Single 4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here . ▶

2 ☐ Married filing jointly (even if only one had income)

3 ☐ Married filing separately. Enter spouse's SSN above & full name here . ▶ 5 ☐ Qualifying widow(er) with dependent child

Check only one box.

Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a. 1

b ☐ Spouse.

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ☒ if child under age 17 qualifying for child tax credit (see instructions)
				☐
				☐
				☐
				☐

If more than four dependents, see instructions and check here . . . ☐

Boxes checked on 6a and 6b . . . 1

No. of children on 6c who:

- lived with you
- did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above 1

d Total number of exemptions claimed 1

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2 73,340.

8a Taxable interest. Attach Schedule B if required. 8a

b Tax-exempt interest. Do not include on line 8a 8b

9a Ordinary dividends. Attach Schedule B if required 9a

b Qualified dividends 9b

10 Taxable refunds, credits, or offsets of state and local income taxes 10

11 Alimony received. 11

12 Business income or (loss). Attach Schedule C or C-EZ -4,371.

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here 13

14 Other gains or (losses). Attach Form 4797. 14

15a IRA distributions 15a b Taxable amount 15b

16a Pensions and annuities 16a b Taxable amount 16b

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17

18 Farm income or (loss). Attach Schedule F 18

19 Unemployment compensation 19

20a Social security benefits 20a b Taxable amount 20b

21 Other income. List type and amount 21

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income 68,969.

Adjusted Gross Income

23 Educator expenses 23

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 24

25 Health savings account deduction. Attach Form 8889 25

26 Moving expenses. Attach Form 3903 26

27 Deductible part of self-employment tax. Attach Schedule SE 27

28 Self-employed SEP, SIMPLE, and qualified plans 28

29 Self-employed health insurance deduction 29

30 Penalty on early withdrawal of savings 30

31a Alimony paid b Recipient's SSN. 31a

32 IRA deduction 32

33 Student loan interest deduction 33

34 Tuition and fees. Attach Form 8917 34

35 Domestic production activities deduction. Attach Form 8903 35

36 Add lines 23 through 35 0.

37 Subtract line 36 from line 22. This is your adjusted gross income 68,969.

Tax and Credits

Standard Deduction for —

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$6,300

Married filing jointly or Qualifying widow(er), \$12,600

Head of household, \$9,300

38 Amount from line 37 (adjusted gross income) 38 68,969.

39a Check ☐ You were born before January 2, 1952, ☐ Blind. ☐ Total boxes checked ☐ 39a
if: ☐ Spouse was born before January 2, 1952, ☐ Blind. ☐ 39b

b If your spouse itemizes on a separate return or you were a dual-status alien, check here. 39b

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin). 40 13,559.

41 Subtract line 40 from line 38. 41 55,410.

42 Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instrs. 42 4,050.

43 Taxable income. Subtract line 42 from line 41. 43 51,360.

If line 42 is more than line 41, enter -0-

44 Tax (see instructions). Check if any from: a ☐ Form(s) 8814 c ☐ 44 8,615.b ☐ Form 4972. 45 0.

45 Alternative minimum tax (see instructions). Attach Form 6251. 46

46 Excess advance premium tax credit repayment. Attach Form 8962. 47 8,615.

47 Add lines 44, 45, and 46. 48

48 Foreign tax credit. Attach Form 1116 if required. 49

49 Credit for child and dependent care expenses. Attach Form 2441. 50

50 Education credits from Form 8863, line 19. 51

51 Retirement savings contributions credit. Attach Form 8880. 52

52 Child tax credit. Attach Schedule 8812, if required. 53

53 Residential energy credits. Attach Form 5695. 54

54 Other crs from Form: a ☐ 3800 b ☐ 8801 c ☐ 55

55 Add lines 48 through 54. These are your total credits. 56 8,615.

56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-. 57

Other Taxes

57 Self-employment tax. Attach Schedule SE. 58

58 Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919 59

59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required. 60a

60a Household employment taxes from Schedule H. 60b

b First-time homebuyer credit repayment. Attach Form 5405 if required. 61 611.

61 Health care: individual responsibility (see instructions) Full-year coverage ☐ 6262 Taxes from: a ☐ Form 8959 b ☐ Form 8960 c ☐ Instrs; enter code(s) 63 9,226.

63 Add lines 56 through 62. This is your total tax. 64 12,568.

Payments

If you have a qualifying child, attach Schedule EIC.

64 Federal income tax withheld from Forms W-2 and 1099. 65

65 2016 estimated tax payments and amount applied from 2015 return. 66a

66a Earned income credit (EIC). 66b

b Nontaxable combat pay election. 67

67 Additional child tax credit. Attach Schedule 8812. 68

68 American opportunity credit from Form 8863, line 8. 69

69 Net premium tax credit. Attach Form 8962. 70

70 Amount paid with request for extension to file. 71

71 Excess social security and tier 1 RRTA tax withheld. 72

72 Credit for federal tax on fuels. Attach Form 4136. 73

73 Credits from Form: a ☐ 2439 b ☒ Reserved c ☐ 8885 d ☐ 74 12,568.

74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments. 75 3,342.

Refund

75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid. 76a 3,342.

76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here. 76b

b Routing number. c Type: ☒ Checking ☐ Savings

d Account number.

Direct deposit?
See instructions.

77 Amount of line 75 you want applied to your 2017 estimated tax. 78

Amount You Owe

78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions. 79

79 Estimated tax penalty (see instructions).

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name Timothy G. Flavin, EA Phone no. Personal identification number (PIN)

Sign Here

Joint return?
See instructions.

Keep a copy
for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature Date Your occupation Daytime phone number

CAR SALES

Spouse's signature. If a joint return, both must sign. Date Spouse's occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check ☐ if self-employed PTIN

Timothy G. Flavin, EA 7/07/21

Firm's name Firm's EIN

Firm's address Phone no.

SCHEDULE A
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

► Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.
► **Attach to Form 1040.**

OMB No. 1545-0074

2016

Attachment
Sequence No. **07**

Name(s) shown on Form 1040

DIEGO J. MARTINEZ

Your social security number

Medical and Dental Expenses	Caution: Do not include expenses reimbursed or paid by others.		
1	Medical and dental expenses (see instructions)	1	
2	Enter amount from Form 1040, line 38	2	
3	Multiply line 2 by 10% (0.10). But if either you or your spouse was born before January 2, 1952, multiply line 2 by 7.5% (0.075) instead	3	
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0.
Taxes You Paid	5 State and local (check only one box):		
a	☒ Income taxes, or	5	5,138.
b	☐ General sales taxes		
6	Real estate taxes (see instructions)	6	
7	Personal property taxes	7	
8	Other taxes. List type and amount ►	8	
9	Add lines 5 through 8	9	5,138.
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►	11	
Note: Your mortgage interest deduction may be limited (see instructions).			
12	Points not reported to you on Form 1098. See instructions for special rules	12	
13	Mortgage insurance premiums (see instructions)	13	
14	Investment interest. Attach Form 4952 if required. (See instructions.)	14	
15	Add lines 10 through 14	15	0.
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions.	16	
If you made a gift and got a benefit for it, see instructions.	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17	
18	Carryover from prior year	18	
19	Add lines 16 through 18	19	0.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20	0.
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►		
	Form 2106 (Taxpayer) 9,800.	21	9,800.
22	Tax preparation fees	22	
23	Other expenses—investment, safe deposit box, etc. List type and amount ►	23	
24	Add lines 21 through 23	24	9,800.
25	Enter amount from Form 1040, line 38	25	68,969.
26	Multiply line 25 by 2% (0.02)	26	1,379.
27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27	8,421.
Other Miscellaneous Deductions	28 Other—from list in instructions. List type and amount ►	28	0.
Total Itemized Deductions	29 Is Form 1040, line 38, over \$155,650? ☒ No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. ☐ Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.	29	13,559.
30	If you elect to itemize deductions even though they are less than your standard deduction, check here.		

SCHEDULE C
(Form 1040)

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074

2016

Attachment
Sequence No. **09**

Department of the Treasury
Internal Revenue Service (99)

► Information about Schedule C and its separate instructions is at www.irs.gov/schedulec.
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

Social security number (SSN)

DIEGO J. MARTINEZ

A Principal business or profession, including product or service (see instructions)
LEGAL ASSISTANCE

B Enter code from instructions
► **541990**

C Business name. If no separate business name, leave blank.
DM SERVICES

D Employer ID number (EIN), (see instr.)

E Business address (including suite or room no.)
City, town or post office, state, and ZIP code

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2016? If 'No,' see instructions for limit on losses. ☒ Yes ☐ No

H If you started or acquired this business during 2016, check here. ☐

I Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions). ☐ Yes ☒ No

J If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked. ☐	1	12,845.
2 Returns and allowances.	2	
3 Subtract line 2 from line 1.	3	12,845.
4 Cost of goods sold (from line 42).	4	
5 Gross profit. Subtract line 4 from line 3.	5	12,845.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions).	6	
7 Gross income. Add lines 5 and 6.	7	12,845.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising.	8	1,996.	18 Office expense (see instructions)	18	1,592.
9 Car and truck expenses (see instructions).	9	3,661.	19 Pension and profit-sharing plans.	19	
10 Commissions and fees.	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions).	11		a Vehicles, machinery, and equipment.	20a	
12 Depletion.	12		b Other business property.	20b	4,200.
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions).	13		21 Repairs and maintenance.	21	
14 Employee benefit programs (other than on line 19).	14		22 Supplies (not included in Part III).	22	
15 Insurance (other than health).	15		23 Taxes and licenses.	23	
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.).	16a		a Travel.	24a	
b Other.	16b		b Deductible meals and entertainment (see instructions).	24b	
17 Legal and professional services.	17		25 Utilities.	25	2,172.
			26 Wages (less employment credits).	26	
			27a Other expenses (from line 48).	27a	3,595.
			b Reserved for future use.	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a.	28	17,216.			
29 Tentative profit or (loss). Subtract line 28 from line 7.	29	-4,371.			
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: <u>1,500</u> and (b) the part of your home used for business: <u>150</u> . Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30.	30				
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	-4,371.			

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12**, (or **Form 1040NR, line 13**) and on **Schedule SE, line 2**. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3**.

• If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

32a ☒ All investment is at risk.

32b ☐ Some investment is not at risk.

33 Method(s) used to value closing inventory: **a** ☐ Cost **b** ☐ Lower of cost or market **c** ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?
If 'Yes,' attach explanation..... ☐ Yes ☐ No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation.....	35	
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36	Purchases less cost of items withdrawn for personal use.....	36	
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37	Cost of labor. Do not include any amounts paid to yourself.....	37	
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38	Materials and supplies	38	
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39	Other costs	39	
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40	Add lines 35 through 39.	40	
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41	Inventory at end of year.....	41	
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42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4.....	42
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43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ 1/01/16.

44 Of the total number of miles you drove your vehicle during 2016, enter the number of miles you used your vehicle for:

a Business 6,780 **b** Commuting (see instructions) _____ **c** Other 7,540

45 Was your vehicle available for personal use during off-duty hours?..... ☒ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use?..... ☒ Yes ☐ No

47 a Do you have evidence to support your deduction?..... ☒ Yes ☐ No

b If 'Yes,' is the evidence written?..... ☒ Yes ☐ No

COSTS	535.
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Laundry and Cleaning	480.
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Telephone	2,580.
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48 Total other expenses. Enter here and on line 27a	48	3,595.
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Unreimbursed Employee Business Expenses

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

► Attach to Form 1040 or Form 1040NR.

► Information about Form 2106-EZ and its instructions is available at www.irs.gov/form2106ez.**2016**Attachment
Sequence No. **129A**

Your name DIEGO J. MARTINEZ	Occupation in which you incurred expenses CAR SALES	Social security number [REDACTED]
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You Can Use This Form Only if All of the Following Apply.

- You are an employee deducting ordinary and necessary expenses attributable to your job. An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense doesn't have to be required to be considered necessary.
- You **don't** get reimbursed by your employer for any expenses (amounts your employer included in box 1 of your Form W-2 aren't considered reimbursements for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2016.

Caution: You can use the standard mileage rate for 2016 **only if:** (a) you owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, **or** (b) you leased the vehicle and used the standard mileage rate for the portion of the lease period after 1997.

Part I Figure Your Expenses

1 Complete Part II. Multiply line 8a by 54¢ (0.54). Enter the result here.	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that didn't involve overnight travel or commuting to and from work.	2	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Don't include meals and entertainment.	3	9,800.
4 Business expenses not included on lines 1 through 3. Don't include meals and entertainment.	4	
5 Meals and entertainment expenses: \$ _____ x 50% (0.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (0.80) instead of 50%. For details, see instructions.)	5	
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 21 (or on Schedule A (Form 1040NR), line 7). (Armed Forces reservists, fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter this amount.)	6	9,800.

Part II Information on Your Vehicle. Complete this part **only** if you are claiming vehicle expense on line 1.

7 When did you place your vehicle in service for business use? (month, day, year) ► _____

8 Of the total number of miles you drove your vehicle during 2016, enter the number of miles you used your vehicle for:

a Business _____ b Commuting (see instructions) _____ c Other _____

9 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

10 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

11 a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If 'Yes,' is the evidence written? ☐ Yes ☐ No

BAA For Paperwork Reduction Act Notice, see your tax return instructions.Form **2106-EZ** (2016)